

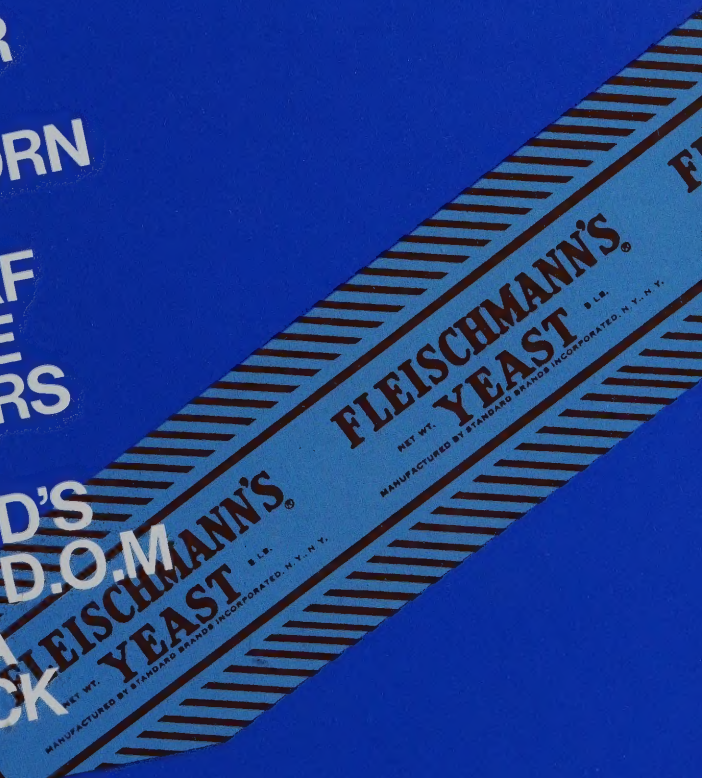
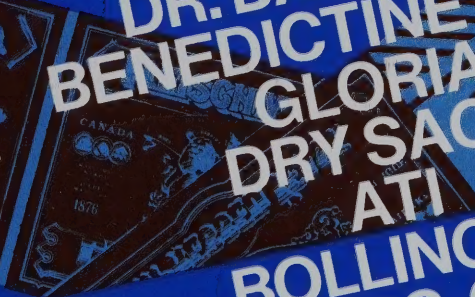
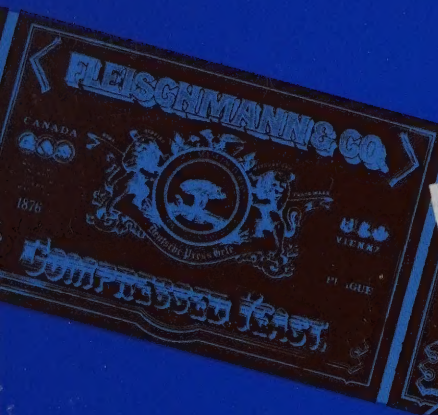
Standard Brands 1976 Annual Report

Continuity and Change... the Story of Standard Brands in 1976

AR20

PLANTERS
BLUE BONNET
FLEISCHMANN'S
BABY RUTH
BUTTERFINGER
ROYAL
CHASE & SANBORN
PEARSON
TENDER LEAF
ISOMEROSE
EGG BEATERS
DROSTE
DR. BALLARD'S
BENEDICTINE D.O.M.
GLORIA
DRY SACK
ATI

BOLLINGER
WALKERS CRISPS
DEINHARD
ANTINORI
WEIBEL
RIERA-MARSA
CURTISS



1976 Annual Report

The cover symbolizes the reinforcing dual spirit of Standard Brands in 1976: continuity, represented by long-established and familiar brand names associated worldwide with the Standard Brands family; and change, exemplified by the transition of a 100-year-old FLEISCHMANN'S yeast label into the contemporary label now used.

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The Business of Standard Brands is based on a 125-year-old tradition as a supplier of high-quality food products to the world. Today, Standard Brands is a highly-diversified, international company offering consumers many of the leading brands in margarine, yeast, nut products, desserts, confectionery products and wines and spirits, as well as being a major supplier of food ingredients.

Standard Brands Incorporated
Executive Offices
625 Madison Avenue,
New York, New York 10022

Annual Meeting: Stockholders are cordially invited to attend the Annual Meeting at 11:00 a.m., Tuesday, May 3, 1977, in the McGraw-Hill Auditorium, 1221 Avenue of the Americas, New York, New York.

A copy of the Company's 10-K Annual Report, filed with the Securities and Exchange Commission, is available to stockholders by written request to the Secretary at the Executive Offices of the Company.

The 1976 Annual Report is published to inform stockholders and investors about activities of Standard Brands Incorporated. Others may receive this Report on request.

Throughout this Annual Report product references in capital letters represent trade names, trademarks or brand name designations.

Editor: Vivian Manuel
Photography Coordinator: David L. Martin
Art Direction: Page, Arbitrio & Resen

Transfer Agents

Common Stock:
Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015
Montreal Trust Company
P.O. Box 1900—Station B
Montreal, Quebec, H3B 3L6 Canada
Montreal Trust Company
15 King Street West
Toronto, Ontario, M5H 1B4 Canada
Preferred Stock:
Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

FINANCIAL HIGHLIGHTS

Standard Brands Incorporated and Subsidiary Companies
(Dollar amounts in thousands; per share amounts in dollars)

	1976	1975	% Increase (Decrease)
For the Year			
Net Sales excluding Excise Taxes	\$1,809,964	\$1,799,894	1
Income Before Taxes	123,599	127,018	(3)
Net Income	67,587	66,895	1
Dividends	34,072	30,053	13
Cash Flow	(88,462)	80,160	
Capital Expenditures	89,494	81,656	10
At Year End			
Borrowings	\$ 245,422	\$ 249,246	(2)
Stockholders' Equity	464,854	428,067	9
Working Capital	261,504	294,756	(11)
Number of Employees	21,200	20,600	3
Number of Common Shares Outstanding	27,839,320	27,723,162	—
Measurements			
Earnings per Share	\$2.42	\$2.40	1
Dividends per Common Share	1.21	1.07	13
Market Price Range per Common Share	27.00-40.63	26.25-39.75	
Price/Earnings Ratio Range	11-17	11-17	
Borrowings as a Percent of Total			
Capital Invested	34%	36%	(6)
Net Income as a Percent of Sales	4%	4%	—
Net Income as a Percent of Stockholders'			
Equity at beginning of year	16%	18%	(11)
Common Dividend as a Percent of Net Income	50%	45%	11
Long-Term Borrowings as a			
Percent of Long-Term Capital	27%	33%	(18)
Operating Income by Major Categories			
Geographically			
United States	\$ 102,029	\$ 108,404	(6)
Canada	21,798	20,069	9
Other International	28,101	27,577	2
By Major Product Categories (Worldwide)			
Consumer Products	114,903	81,043	42
Food Ingredients	37,025	75,007	(51)

To the Stockholders:

In 1976, your Company achieved results comparable to 1975, which had been a record year for worldwide sales and net income. Worldwide sales, excluding excise taxes, were \$1.81 billion, compared with \$1.80 billion for 1975. Net income worldwide was \$67.6 million, or \$2.42 per share, compared with \$66.9 million, or \$2.40 a share, earned in 1975.

Expenditures for your Company's facility additions and improvements rose to a record \$89.5 million in 1976, compared with 1975 expenditures of \$81.7 million.

Despite the largest capital investment program in our history, the Company's long-term debt as a percent of its capitalization is now at a very favorable level. Due to rigorous cash management, our debt to capital ratio at the end of 1976 was 27%, compared to 33% in 1975.

In July 1976, your Board of Directors increased the quarterly dividend on common stock from 28½ cents to 32 cents per share, effective with dividends paid in the third quarter of the year. This made 1976 the nineteenth consecutive year of increased dividend payments by Standard Brands.

Three of the Company's four operating Groups achieved new highs in sales and earnings: U.S. Consumer Products, Wines and Spirits, and International. The fourth Group, Food Ingredients, which had been a major contributor to earnings in 1974 and 1975, experienced a substantial decline in its profitability during the second half of 1976. The reason for this drop relates directly to depressed prices for world sugar, which affects the prices we can obtain for our sugar substitute product, ISOMEROSE brand high fructose corn syrup.

Although sweetener prices were very low in the second half of the year, our overall 1976 earnings performance compares favorably to 1975, reflecting the inherent balance in your Company. This balance, between consumer and food ingredient products, and between domestic and international operations, served us well in 1976. We intend to improve this balance in the years ahead.

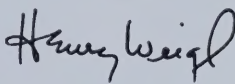
Strong elements of continuity for Standard Brands are evident in the operational summaries that follow in these pages. There you will find the reports of our Group Executives, who are implementing our basic corporate strategy of balancing emphasis on continued earnings growth with strong return on investment performance. Our Group Executives were successful in 1976 in improving our branded consumer products positions, profitability and market shares around the world.

These management reports also reflect our corporate commitment to maximize earnings through a worldwide focus. To us in Standard Brands, international business has long meant much more than simply tapping larger markets by extending our domestic products offshore. Rather, we have product lines that are tailored to the needs and tastes of each country we serve, often with products specially developed for a specific national market.

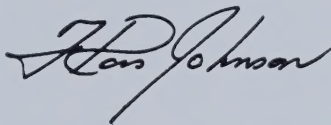
The elements of change at your Company are directed at improving our ability to respond to the dynamics of a changing environment. We will touch briefly here on five areas of special significance:

- The Company's organizational structure has been adjusted by the creation of a Corporate Executive Office. The Corporate Executive Office, consisting of the President and Executive Vice President, operates collectively to direct short- and long-term Company activities.
- Our operations have been streamlined and consolidated into four operating Groups. This provides clear lines of responsibility and profit measurement.
- We have staffed our organization with individuals of special expertise, as well as managers with proven records of performance in the food and beverage industries.
- A strategic planning system has been put in place to ensure that we allocate our resources to those business segments with the highest profit and growth potential.
- We are accelerating and expanding our commitment to research and development, as discussed on pages 20-21. This commitment is exemplified by the building of a new facility to serve as the center for Corporate Research, Development and Engineering. The objective of this program is to make certain that our businesses have the necessary new and improved products for long-term growth and profitability.

Continuity and change—Your Board of Directors joins us in expressing our sincere appreciation to the more than 21,000 Standard Brands employees worldwide whose individual contributions have made this year's results possible. We believe that your Company has a healthy balance of continuity and future commitment that will ensure its long-term success.



Henry Weigl
Chairman



F. Ross Johnson
President and
Chief Executive Officer

March 14, 1977

In May of 1976, Henry Weigl relinquished the title of Chief Executive Officer to F. Ross Johnson, who has been your President since May 1975, and an executive with your Company since 1971. Mr. Weigl, who has completed 33 years of dedicated service with the Company, will retire on August 1, 1977, in accordance with the Company's mandatory retirement policy.

U.S. Consumer Products

A Report by Peter N. Rogers, Vice President and Group Executive



During 1976, the U.S. Consumer Products Group, consisting of the Planters Company, the Standard Brands Foods Company and the Standard Brands Confectionery Company, achieved significant increases in sales and earnings.

The growth of these businesses was based on two factors: strong and well-established consumer franchises, and improved operating focus and control.

The Planters Company in 1976 increased its sales volume and market share of the nut category to record-high levels, and the trade and consumer acceptance of the PLANTERS brand line of products continued to grow.

A new nut-processing plant was opened in Fort Smith, Arkansas, and an old facility in San Francisco was closed. With the 1975/76 peanut crop, the new Aulander, North Carolina, peanut shelling mill completed its first year of operation.

During 1976, PLANTERS introduced into test market a line of canister-packed savory snacks. This line of potato chips, cheese balls, cheese curls, corn chips and pretzels, packed in crush-proof, resealable containers to ensure freshness, has gained consumer and trade acceptance.

This entry into the non-nut segment is a logical extension of the PLANTERS brand name into the overall snack market, and we continue to evaluate market testing of stackable potato chips.

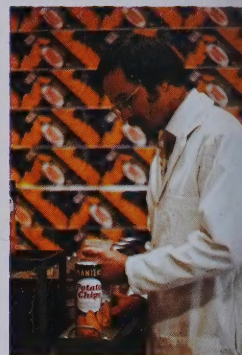
The Planters Company utilizes the specialized sales forces of the Confectionery Company to achieve distribution of its products through drug, discount, variety, wholesale and vendor trade channels, while sales of Planters brand products to the grocery trade are handled by the Foods Company.

The Standard Brands Foods Company recorded the best year in its history, attaining record levels of market share in the margarine and nut categories. The allocation of significant marketing resources enabled Standard Brands Foods to gain further ground as a leading supplier of margarines, nut products and consumer yeast.

BLUE BONNET LIGHT TASTY SPREAD, which contains 25% less fat and calories than regular margarine, has become the fastest-growing entry in the overall margarine category.

Standard Brands was one of the first food companies to respond to the call by medical authorities for high-quality products to assist in the modification of the American diet by reducing the intake of saturated fat and dietary cholesterol. FLEISCHMANN'S corn oil margarine has long been the leading product in this field, while another product, EGG BEATERS cholesterol-free egg substitute, continues to remain the most popular product in its category.

(continued on page 6)



Helping to make 1976 a record-breaking year for U.S. Consumer Products were the facilities and products pictured here. On the facing page, a golden file of BLUE BONNET margarine packages speeds down the line at the modern Denison, Texas, margarine plant. On this page, from the top: a shipment of peanuts moves out of the Aulander, N. C., shelling mill; a technician in Chicago gives BABY RUTH candy bars a computerized weight check; PLANTERS stackable potato chips receive a routine quality control inspection at the new Chattanooga, Tenn., plant; and a technician adjusts sensitivity on the photoelectric peanut sorters to ensure quality at Planters' new Ft. Smith, Ark., facility.



Planters Company

The Oil Roasted Line

PLANTERS: COCKTAIL Peanuts, OLD FASHIONED Peanuts, Mixed Nuts, DeLuxe Mixed Nuts, Cashews, Spanish Peanuts, Virginia Redskins, Sunflower Nuts, Sesame Nut Mix, TAVERN Nuts

The Dry Roasted Line

PLANTERS: Dry Roasted Peanuts, Unsalted Peanuts, Mixed Nuts, Cashews, Pecans, Spanish Peanuts, Natural Pistachios, Sunflower Nuts, Almonds

Other Lines

PLANTERS SOUTHERN BELLE Cello Bag Nuts
PLANTERS Peanut Oil, Peanut Butter
PLANTERS Cello & Foil Bag Nuts, Jumbo Block
PLANTERS Peanut Butter Cups
PLANTERS Cheese Sandwiches
PLANTERS Chocolate, Vanilla & Lemon Creme Cookies
PLANTERS Chocolate & Banana Marshmallow Pies
PLANTERS Peanut Fudge Brownies
PLANTERS Stackable Potato Chips, Canister Snacks

Standard Brands Confectionery Company

BABY RUTH Candy Bars
BABY RUTH Boxed Candy Nuggets
BABY RUTH Fun Size Candy Bags
BUTTERFINGER Candy Bars
BUTTERFINGER Boxed Candy Chips
BUTTERFINGER Fun Size Candy Bags
COCONUT GROVE Candy Bars
CURTISS Family Candy Bag Line of Jellies, Mello Cremes, Chocolates, Mints, Hard Candies
JU JUS and Seasonal Specialties
CURTISS SAF-T-POPS Candy
MELVILLE Bulk Candies
PEARSON Specialty Candies
WAYNE BUN Candy Bars
WAYNE BUN Fun Size Candy Bags
Distributor for: CRACKER JACK
(Non-Grocery)
SUN-MAID Raisins
(Vend and Specialty Packs)

Standard Brands Foods Company

Margarines: BLUE BONNET: Regular, Whipped, Soft, Soft Diet, Soft Whipped
BLUE BONNET LIGHT TASTY SPREAD
FLEISCHMANN'S Corn Oil-Regular, Soft, Soft Diet, Unsalted, Soft Unsalted
EGG BEATERS Cholesterol-Free Egg Substitute
Desserts: ROYAL Gelatins, Puddings, Instant Puddings, No-Bake Cheese Cake
Baking Products: FLEISCHMANN'S Yeast
Coffee: CHASE & SANBORN
Tea: TENDER LEAF
Pet Foods: HUNT CLUB, BURGERBITS, WALTER KENDALL, FIVES

Sales of consumer yeast, desserts, dry pet foods, peanut oil, peanut butter and tea continued to be satisfactory.

The new margarine facility in Denison, Texas, completed its first full year of operation and the Dallas plant was phased out. The old Hoboken plant also was phased out and its dessert, tea and coffee product lines were transferred to Chicago and New Orleans. This is in line with the Group's effort to maximize the use of its physical assets.

The Standard Brands Confectionery Company markets a variety of candy and other snack products, many of which are category leaders. BUTTERFINGER candy and BABY RUTH nut roll are the leading candy bars in their respective market segments. The use of palm kernel oil rather than cocoa butter in the manufacture of candy bar coatings reduces the Company's vulnerability to the volatility of the cocoa market.

Our PEARSON candy line leads the category of specialty boxed hard candies, and Melville Confections is a large supplier of a broad range of quality bulk specialty boxed hard candies.

The Confectionery Company also acts as a distributor for other companies and during 1976 was appointed distributor of CRACKER JACK caramel-coated popcorn for non-grocery trade channels and distributor for Barker & Dobson confection products. Barker & Dobson manufactures, in England, a line of quality candies which complement our line of MELVILLE and PEARSON "bulk" confections. CRACKER JACK caramel-coated popcorn is renowned as the leader in its field with a trademark and logo familiar to Americans for over 100 years.

The broad line of products marketed by the Confectionery Company permits deep market penetration at affordable levels of sales and transportation expense. It is well positioned to be an important supplier and merchandiser of sweet and savory snacks to the retail trade.

In summary, the broad diversity of the product line, including margarines, desserts, nuts, yeast and candy, continues to form a solid base for future growth within the U.S. Consumer Products Group. The strength of the PLANTERS, FLEISCHMANN'S and BLUE BONNET brand names provides a valuable umbrella under which we can introduce products designed to meet consumer demands while we continue to support and build our consumer franchises by the use of a variety of advertising media. (See Advertising Portfolio, pages 16-19.)

Wines and Spirits

A Report by Ferdie A. Falk, Vice President and Group Executive



The Wines and Spirits Group, formed in 1976, comprises two long-established operations: The Fleischmann Distilling Corporation and Julius Wile Sons & Co., Inc. Both of these companies showed significant gains in sales and earnings in 1976—a noteworthy achievement in view of the fact that the distilled spirits industry as a whole moved up less than one percent.

We can cite several reasons for this superior performance. One is that we have products that are going contrary to declining markets. While consumption of whiskeys generally continued to drop in 1976, FLEISCHMANN'S PREFERRED blended whiskey showed a sales increase as it remained at ninety proof while other blended whiskeys went to eighty.

Our best-known product—FLEISCHMANN'S gin—continued to be a strong competitor in an industry which held even with its 1975 level.

Another favorable factor is that with the public's taste in spirits undergoing marked changes we have good entries in the growth categories. Consumption of vodka, for instance, is growing, and we're in the market with three vodka brands, with sales of FLEISCHMANN'S ROYAL vodka growing at a substantial rate. Similarly, in the fast-growing category of Canadian whiskeys bottled in the U.S.A., our CANADIAN LTD brand whiskey is outpacing the trend. For the growing number of tequila drinkers, we offer NUMERO UNO tequila and FONDA BLANCA tequila.

Some of our more exciting and vigorous brands continue to grow, among them DRY SACK sherry. We're broadening the market for DRY SACK sherry by presenting it as an alternative to other drinks, and the response has been favorable. (See Advertising Portfolio, pages 16-19.) BENEDICTINE D.O.M. liqueur and B&B liqueur outpaced the imported cordial category, showing substantial growth.

New products prove successful

We have been successful in several new product introductions. For example, we were the first to bring out an American-produced almond-flavored cordial, AMARETTO di AMORE liqueur. As one of our line of GARNIER cordials, it has caught on rapidly and held its place against a host of competitors. We have also introduced AMARETTO and BRANDY di AMORE liqueur, and CAFE di AMORE liqueur, both produced in America and both doing well.

Wines gain in the U.S. market

Both domestic and imported wines made gains in the U.S. during 1976. California wines in particular increased their market share, and in this segment we offer a fine line of California premium wines under the Weibel label.

Similarly, our German and Italian wines continued to increase their U.S. market share with French wines showing a resurgence in popularity. Through Julius Wile Sons & Co., we represent established, prestigious firms in the

(continued on page 8)

The Fleischmann Distilling Corporation

Spirits

FLEISCHMANN'S PREFERRED Blended Whiskey
FLEISCHMANN'S Gin
FLEISCHMANN'S ROYAL Vodka
FLEISCHMANN'S SELECT Bourbon Whiskey
FLEISCHMANN'S Bottled in Bond Whiskey
CANADIAN LTD Canadian Whiskey
ACADIAN Canadian Whiskey
CAPERCAILLIE, CHURCHILL and GOLDEN GLEN
Scotch Whiskeys
DAVIESS COUNTY Bourbon Whiskey
OLD MEDLEY Bourbon Whiskey
GARNIER American Cordials and French Brandy
GASTON de LAGRANGE Cognacs
NUMERO UNO White and FONDA BLANCA White and
Gold Tequilas
TRIGO WHITE and GOLD Rums
ROMANOFF Vodka
WHITE TAVERN Vodka, Gin, Blended Whiskey
and Scotch Whiskey

Wines

WEIBEL Premium California Wines
DUVAL Sweet and Dry French Vermouths
FRENCH KISS Imported Aperitif Wine
ATHENA Greek Wines
LILY MARLENE Liebfraumilch Wine

Julius Wile Sons & Co., Inc.

Spirits

BENEDICTINE D.O.M. B & B Liqueur D.O.M.
COMANDON Cognac, DELAMAIN Cognac
GARNIER French Liqueurs
LEMON HART Jamaica & Demerara Rums
MONTESQUIOU Armagnac
MONTGOMMERY Calvados
GET PIPPERMINT, SUZE Aperitif
OLD CANADA Canadian Whiskey
PERNOD Liqueur

Wines

ALSACE WILLM
ANTINORI
BOLLINGER Champagne
BOLLINGER Coteaux Champenois
CHANSON Burgundies
Cherry ELSINORE
DEINHARD German
LANGLOIS-CHATEAU Sparkling Saumur
LEACOCK Madeiras
PATERNINA Spanish Riojas
PRATS FRERES Bordeaux
ROBERTSON'S Oporto Port
ST. RAPHAEL Aperitif
STE. ROSELINE
SOVERAIN Premium California Wines
Williams & Humbert DRY SACK Sherry
& Other Spanish Sherries

important table wine area. These include ANTINORI Italian wines; DEINHARD German Rhine wines; and PRATS FRERES, CHANSON, WILLM and STE. ROSELINE French wines. In the champagne segment, the Company is represented by the well-known BOLLINGER French champagne.

Looking to continued growth

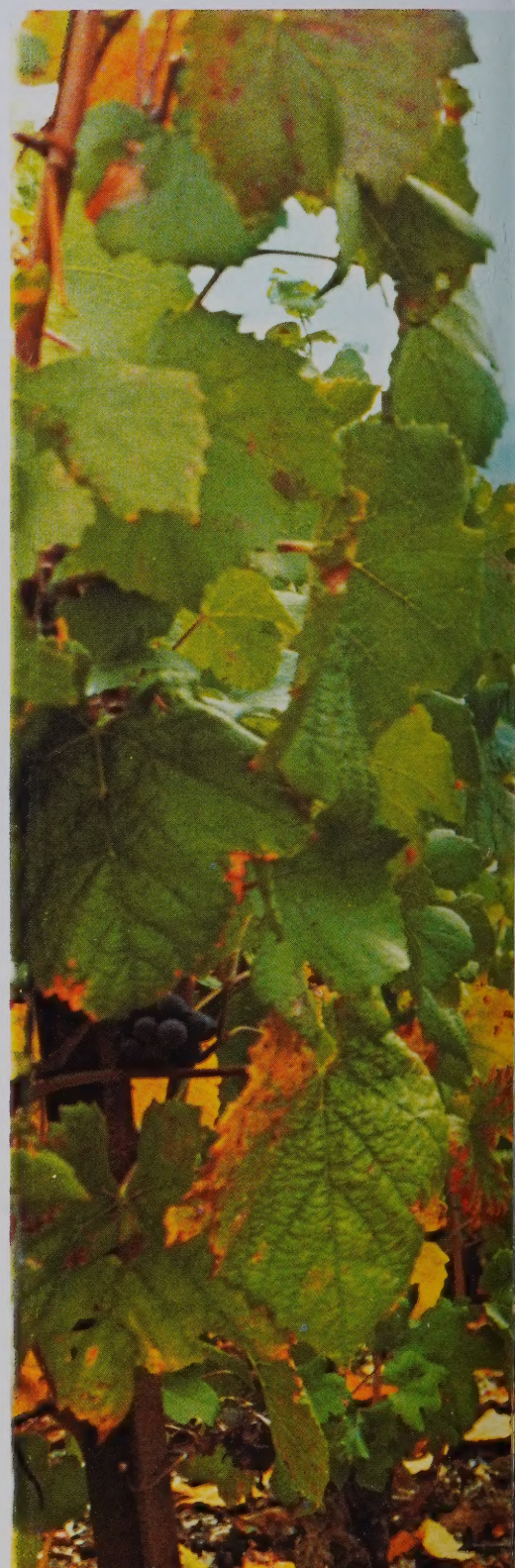
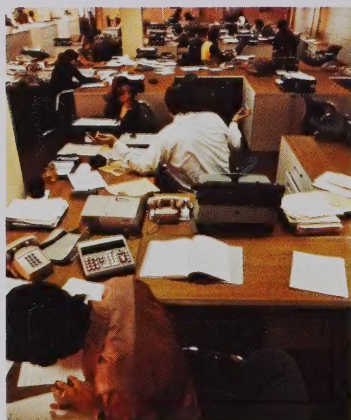
The progress made by The Fleischmann Distilling Corporation and Julius Wile Sons & Co. in 1976 augurs well for our future growth in the wines and spirits business.

We will keep up the pace by continuing to bring out exciting new products geared to changing tastes in wines and spirits. For example, we recently introduced regionally FRENCH KISS vermouth-based white wine, a new aperitif made in France by Duval to our specifications.

The distribution system we have built is proving attractive to other producers. In December 1976, for example, Julius Wile Sons & Co. was appointed the sole marketing agent for the SOUVERAIN line of California wines. We foresee other opportunities developing as the result of our proven distribution strengths.

Our wines and spirits business has, in recent years, been successfully diversified. Where previously the business was limited to four or five brands competing in non-growth categories, today we have a broad range of products that are succeeding both nationally and internationally.

The merging of experience with innovation proved instrumental in Wines and Spirits' strong 1976 showing: the BOLLINGER vineyard pictured at right speaks of the high-quality wines for which the venerable Julius Wile Sons & Co. is justly known; on the facing page: whiskey aging at the Owensboro, Ky., warehouse; a high-speed bottling line at the Dayton, N.J., plant, one of the industry's most modern; and Dayton's U.S. Customs bonded warehouse where imported goods such as DRY SACK sherry are stored. In October, Fleischmann Distilling Corporation moved to New Hyde Park, N.Y. Shown below: the accounting and finance office, and a marketing session.





Food Ingredients

A Report by Curt K. Brill, Vice President and Group Executive



Standard Brands' Food Ingredients Group comprises four operating divisions: the Clinton Corn Processing Company, producing liquid sweeteners and other products from corn; the Fleischmann Bakery Ingredients Division, manufacturing and marketing a variety of products for the baking and food processing industries; the Standard Brands Food Service Division, selling the Company's products in institutional-size packages to restaurants, hospitals, schools and other institutional customers; and the Vinegar Division, which sells FLEISCHMANN'S distilled and concentrated vinegars in bulk form to such users as the pickling, condiment and canning industries.

The problem area for the Group in 1976, and a major problem for the Company as a whole, was the corn sweetener business. The Clinton operation produces high fructose corn syrup (HFCS), a sweetener that many food processors prefer to sucrose. As a result, this has been an area of strong sales growth and a significant profit contributor in recent years. However, in terms of pricing, high fructose corn syrup is directly competitive with sugar, and when sugar prices dropped as precipitously as they did in 1976, the price of HFCS had to be lowered in order to keep HFCS attractive to the industrial users of sweeteners.

The Clinton HFCS operation remained profitable in 1976, even at price levels that were generally below production costs for refined cane and beet sugar. The net effect, however, was a substantial reduction in our HFCS-derived earnings compared to the prior year.

The depressed condition of the sugar market is, in our view, excessive and will correct itself in time, with a long-term favorable effect on earnings from this business.

New generations of sweeteners

In the meantime, the Clinton operation is vigorously expanding its research and development program and is leading the industry in the development of second- and third-generation corn sweeteners. The HFCS product being most widely marketed at present, as represented by our ISOMEROSE 100 brand, contains 42% fructose and is used as a substitute for sugar in many applications. It provides a cleaner "mouthfeel," enhancing the flavor of the many food products to which it is added. It is increasingly being used in soft drinks, baked goods, ice cream and other products and has gained wide acceptance.

Our ISOMEROSE 600 brand HFCS, introduced in 1976, contains 60% fructose. It is as sweet as sugar and the beverage industry in particular is experimenting with it in new applications.

(continued on page 12)



A diversity of products enables us to service a range of food ingredients markets. For example, EGG BEATERS cholesterol-free egg substitute meets today's demand for low-cholesterol foods, and is increasingly found in restaurant kitchens, including those in the Denny's chain (right). On this page, top to bottom: quality control and research keep Standard Brands a leading supplier of yeast to the baking industry; boxcars carry in the grain to fill the needs—1,000 acres a day—of Clinton Corn Processing for making starch, dextrose and HFCS; vinegar is supplied in bulk to the condiment and canning industries; and pioneering research constantly directed at potential uses of HFCS in reduced-calorie foods and beverages.

Fleischmann's
egg beaters

NET WT. 4 LBS.

Fleischmann's®

PASTEURIZED/HOMOGENIZED

egg beaters.

Cholesterol-free* Egg Substitute

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The Standard Brands Food Service Division

CHASE & SANBORN Coffee
TENDER LEAF Tea
CHASE & SANBORN LIGHT-NER (Non-Dairy)
CHASE & SANBORN N'LIGHT (Non-Dairy)
FLEISCHMANN'S Corn Oil Margarine
BLUE BONNET Margarine
BLUE BONNET SPREAD
BLUE BONNET Liquid Margarine
EGG BEATERS Cholesterol-Free Egg Substitute
FLEISCHMANN'S Table Service Eggs
ROYAL BREAK-O-MORN Eggs
ROYAL EGG-EZE
FLEISCHMANN'S TREND Decaffeinated Coffee
ROYAL Cheese Cake
ROYAL Cocoa
ROYAL Drink Mixes
ROYAL Gelatins
ROYAL Puddings & Pie Filling
ROYAL Seasonings
ROYAL Whipped Topping
PLANTERS Nut Products
PLANTERS Peanut Butter
PLANTERS Peanut Oil
FLO-N-FRY Liquid Shortening
SIESTA Instant Decaffeinated Coffee

Clinton Corn Processing Company

ISOMEROSE Brand High Fructose Corn Syrup (HFCS):
ISOMEROSE 100 Brand HFCS
ISOMEROSE 600 Brand HFCS
ISOMEROSE 900 Brand HFCS
CLINTOSE Brand Dextrose
Corn Starches
Dextrins
Corn Oil
Corn Syrups
Enzymes
Lactic Acid
Lactide
Animal Feeds
Animal Feed Supplements

Fleischmann Bakery Ingredients Division

Yeast Products: FLEISCHMANN'S Bakers Yeast,
Active Dry Yeast, Inactive Dry Yeast
Sweeteners: LEV-U-DEX Brand Bakers Corn Syrup,
CLINTOSE Brand Dextrose NUSWEET "E" Corn Syrup
Margarines—
Bakery Use: TASTEX, HI-LO Danish Roll-In,
BLUE BONNET, Liquid BLUE BONNET,
FLEISCHMANN'S Corn Oil Margarine
Food Processing Use: FLEISCHMANN'S Corn Oil
Margarine, BLUE BONNET, Liquid BLUE BONNET
Shortenings: RED BAND Puff Pastry
Specialty Ingredients: Dough Improvers, Leavening
Agents, Flavors, Malt Products, Fungal Enzymes,
Enrichment Wafers & Oxidant Tablets
Peanut Products: PLANTERS Peanut Oil, Peanut Butter
and Chopped Nuts
Frozen Products: Eggs, Pecans and Fruits

Vinegar Division

Distilled Vinegar
Concentrated Vinegars

We are particularly excited about our development of ISOMEROSE 900 brand HFCS with 90% fructose, which, depending on its application, can offer up to 50% greater sweetening power. This important development in higher fructose corn syrups gives your Company new opportunities to serve the reduced-calorie food business. Such foods closely approximate the taste qualities of their full-calorie counterparts, yet avoid the objectionable aftertaste generally associated with artificial sweeteners. We foresee strong growth in demand for ISOMEROSE 900 brand HFCS.

We demonstrated our confidence in the future of the HFCS business by completing, on schedule, a major expansion at Clinton and are in the process of completing a new plant in Montezuma, New York.

Progress in bakery ingredients

The Fleischmann Bakery Ingredients Division, supplying many of the country's largest bakeries as well as manufacturers of snack foods, convenience foods and snack cakes, maintained or improved its profitability in all its principal products other than sweeteners. Thus, in compressed and bulk yeast, bulk margarine, dough improvers and malt products, the division achieved a year of growth.

Yeast is the leading product. Because the shelf life of yeast is short, the division has had to develop great skill in the logistics of shipping. This skill, coupled with the division's overall program to maximize the use of our physical assets, enabled the division in 1976 to close down its Peekskill, New York, yeast operation, while continuing to serve customers in the Northeast from other facilities.

Food Service—primed for growth

The Standard Brands Food Service Division, supplying bulk quantities of the Company's products through a network of over 400 food service distributors, continued in 1976 to benefit from the upward trend in dining out. The division serves the whole spectrum from fast-food chains to contract feeders and non-commercial institutions.

The division is currently market-testing several new products to add to its product line. During 1976, it was successful in enlarging the number of restaurant chains that now offer EGG BEATERS cholesterol-free egg substitute on their menus and in introducing this product for special-request service to airline passengers.

Maintaining the lead in vinegar

The Vinegar Division maintained its leading position in the industry, aided by the first full year's production from expanded facilities at three of its seven plants. This division in 1976 continued to experience higher sales and earnings.

Toward a proprietary business

As a whole, the Food Ingredients Group is aggressively expanding its coverage of the institutional purchasers of Standard Brands lines and is continuing its development and marketing of products specifically designed for the institutional trade. In addition, the Group is moving toward its long-term objective of establishing this as more of a proprietary-oriented rather than a commodity-oriented business, with resulting potential for increasing the Group's earnings.

International

A Report by Martin F. C. Emmett, Vice President and Group Executive



The International Group markets Standard Brands' main consumer and food ingredients products outside the United States. Our strategy for this business is to build up markets through exports and, when volume permits, to establish manufacturing operations serving these offshore markets. All in all, we have 42 different profit centers operating in 27 countries outside the United States and licensees in 12 additional countries.

In 1976, our international business was strong in all main sectors of activity. We managed to hold or improve our market position in all major categories. The result was a gratifying increase in sales volume that made possible, in turn, a rise in earnings.

Growth in Canada

By far the largest of our international operations is Standard Brands Limited of Canada, which continued to strengthen as one of Canada's major food and beverage companies, and has very strong positions in such market areas as margarine, pet foods, yeast, baking powder, nut products and other confectionery lines.

In a number of product areas, Standard Brands Limited has outstripped its competition. A key example is our Canadian pet food operation, which is the largest pet food producer in Canada, and whose DR. BALLARD'S canned dog food line is the leading brand. We have received the endorsement of the Canadian Veterinary Medical Association and their seal of approval will be prominently displayed on all DR. BALLARD'S pet foods. Standard Brands Limited is following up this lead by developing other lines, including gourmet cat foods, dry dog foods and TOP BREED soft moist dog food.

Standard Brands Limited consists of four main operations: Standard Brands Food Company, specializing in food service and consumer food products, and pet foods; the Fleischmann Company, serving the bakery industry; Lowney's Limited, marketing nut and confectionery products; and Wines and Spirits Products, with its own distinctive lines tailored to Canadian tastes.

Leadership in Latin America

Latin America is another area where Standard Brands enjoys a strong market position. We are the largest American-based food company serving Latin American needs. This leadership stems from the fact that the Company

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Standard Brands Limited—Canada

Standard Brands Food Company

CHASE & SANBORN Coffee
TENDER LEAF Tea & THE TEA Line of Tea Products
BLUE BONNET & FLEISCHMANN'S Margarines
EGG BEATERS Cholesterol-Free Egg Substitute
ROYAL Jelly Powders, Puddings & Cheese Cake Mix
PLANTERS Peanut Oil, FLEISCHMANN'S Yeast
MAGIC Baking Powder & Powdered Skim Milk
CHIPITS Chocolate Baking Aids
Pet Foods: DR. BALLARD'S and other products

The Fleischmann Company

FLEISCHMANN'S Yeast, Brill and other products
BLUE BONNET Margarines
CHIPITS Industrial Chocolate Chips
CHASE & SANBORN Coffee, TENDER LEAF Tea
CLUB, BECHARAS, MOJABO & MELROSE Coffees & Teas
ROYAL Jelly Powders, Puddings, Cheese Cake Mix, Portion Pack Jams & Jellies
FLEISCHMANN'S Instant Potatoes, Corn Oil, Margarine, Coffee Lighteners, Liqui-fry Oil
PLANTERS Peanut Oil

Lowney's Limited

PLANTERS Nut Products
LOWNEY'S Candy Bars and Boxed Chocolates, GLOSETTE Nuts & Raisins, Bridge Mixture
MOIRS Chocolates and Candies
BEAVER and PINE TREE Nut Products

Wines & Spirits

Canadian Whiskey, Gin, Vodka, Rum, Brandy and Liqueurs from McGuinness, Acadian & Central Canadian Distilleries
Table, Dessert, Fruit and Sparkling Wines from Calona

Latin America, Pacific Operations

BLUE BONNET, NOVA & DELY Margarines
CHASE & SANBORN Coffees
FLEISCHMANN'S Yeast & Bakery Products
GLORIA Powdered Milk
PLANTERS Nut & Snack Products
ROYAL Cake & Baking Mixes, ROYAL Desserts
ROYAL & LION Baking Products
ROYAL & SAROMA Vinegar, Worcestershire Sauces
ROYALINA & FRESCO ROYAL Drink Powders
TENDER LEAF Teas

United Kingdom, Middle East, Africa

WALKERS Crisps
ROYAL Baking Powder, Dessert, Gelatin & Cake Mixes
PLANTERS Nut and Snack Products
GILLETT'S JAVEL Bleach
GILLETT'S MAGIC Detergent, CARPET MAGIC Drain Cleaner
SUPER DMP Dishwasher Detergent

Van Nelle-Standard Brands, B.V.

ARDILLA Pastas & Canalones
ATI Tea, MONTANIA Herb Teas
BIENCADOLCE Whipped Cream Mix
CATARI Pizza & Potato Mixes
FELIX Nut & Snack Products
LA MAISON du CAFE & BIEC Coffees
RIERA-MARSA Dry Baby Foods, Flour Mixes, Instant Mashed Potatoes
ROYAL Cake Mixes, Chocolate Drink & Mousse, Desserts, Instant Pudding; Baking, Drink, Ice Cream & Topping Powders
TAMATINA Flan

moved early in establishing itself among Latin American consumers and has zealously guarded and strengthened its favorable reputation there.

We have operations in Argentina, Brazil, Colombia, Ecuador, Uruguay and Venezuela; in Mexico; in the Central American countries of Costa Rica, El Salvador, Guatemala, Nicaragua and Panama; and on the Caribbean islands of Jamaica, Puerto Rico and Trinidad.

In 1976, these companies overcame the problems of inflation and devaluation to achieve another year of new highs in sales and earnings.

In these countries, our ROYAL brand desserts and gelatins is an especially strong competitor and the Company enjoys a preeminent position in the yeast market in Brazil and in most other South and Central American countries. We are continuing new product development in puddings, flans, gelatins and cake and baking mixes. We are using the high consumer acceptance for the ROYAL brand as a flagship for improving our position in such other lines as vinegar, sauces, drink powders and tea.

New push in Europe

In the United Kingdom, our outstanding success has been that of Walkers Crisps Ltd., which continued during the past year to improve its market position and profitability. We are investing in a new facility that will expand production of crisps (potato chips). It will be completed in early 1978. In addition, in the U.K., Standard Brands (Liverpool) Ltd. strengthened its growth potential by adding PLANTERS dry roasted nuts to its long-established product lines.

Van Nelle-Standard Brands, B.V., associated with De Erven De Wed J. Van Nelle, N.V. of the Netherlands, has experienced a profit growth that has exceeded 30% over the past two years. VNSB, through affiliates in France, Italy, Portugal, Spain and West Germany, manufactures and sells coffee, tea, desserts, snacks, baking powder, cake mixes, pasta products and baby foods.

Expansion in the Middle East

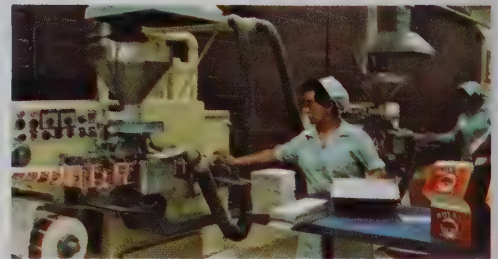
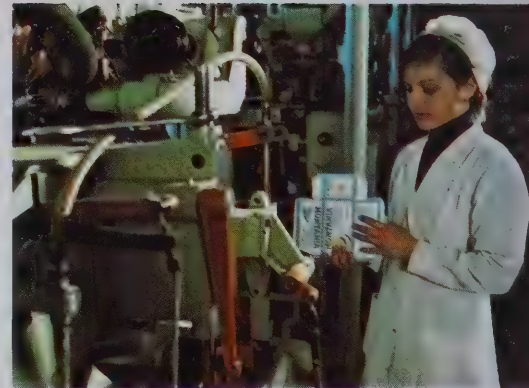
We now have in place a new facility in Tunisia for the manufacture of desserts and baking powder which will be distributed throughout North Africa and the Middle East. Since we formerly served this area with products largely supplied from the U.K., this new plant will increase market penetration and local sourcing, and will provide substantial savings in transportation.

Athens continues as our key location for expanding our Middle East operations.

International: an encouraging outlook

The outlook for Standard Brands International operations is encouraging, both for 1977 and for the longer term. While continuing to derive growth from our strongly-established operations in Canada and Latin America, we expect to achieve new growth through the strengthening of our marketing efforts in Europe and the Middle East. As many of the developing countries strengthen their economies over the next decade, there will be a corresponding increase in consumer incomes, enabling more people to enjoy the products we market.

We have built a strong international organization, manned and managed by nationals to the greatest extent possible. These international employees, some 10,000 strong, constitute a force which we believe will steadily increase the contributions the International Group makes to both the overall sales and earnings of Standard Brands.





Illustrative of Standard Brands' far-ranging operations in 27 foreign countries are those shown here (clockwise, beginning at left): low-fat powdered milk is readied for shipment to an expanding consumer market in Brazil; a supervisor at Canada's Mississauga pet food plant watches over a processing line for DR. BALLARD'S pet food; a Spanish worker operates packaging machinery for ROYAL cake mixes at Riera-Marsa, a new facility near Barcelona; WALKERS crisps have enjoyed such consumer acceptance in the United Kingdom that the Leicester plant is currently being expanded to meet demand; camomile tea is packaged at our new, highly-automated Liscate plant at Milan, Italy.





A Portfolio of Advertising

For Standard Brands, continued success in the market place is contingent on two main factors. First and foremost, is the consistently high quality of the products we offer to consumers. Second, are the favorable impressions created in consumers' minds through effective use of innovative advertising and marketing techniques. Sound advertising and marketing programs that reach wide audiences are, moreover, at the base of the Company's efforts to reinforce and grow its brand franchises.

Below and on the following pages is a sampling of current advertisements and television commercials whose objective is to build a preference for Standard Brands products in millions of homes and restaurants. These selected examples illustrate how Standard Brands is meeting the challenge of communications and marketing, both with quantity, in terms of reach, and with quality, in content and creative concepts.

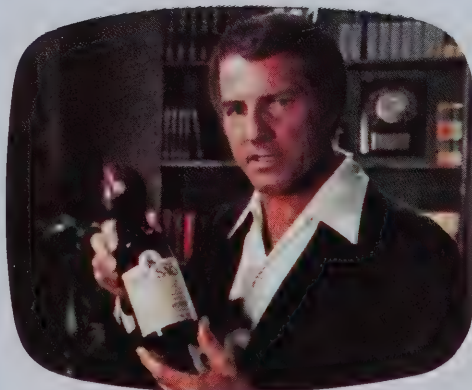
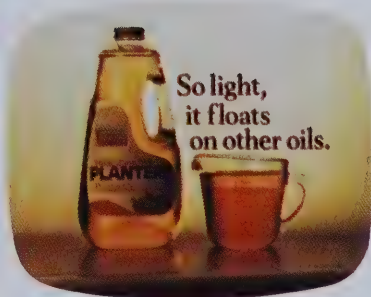


A major print advertising campaign, begun in 1976 and continuing in 1977, explains how to prepare the same dishes served in some of the nation's foremost restaurants, making use of Standard Brands products. The ad reproduced above, for example, gives the recipe for Brochette of Lamb as served at New York's legendary La Côte Basque, shown on the facing page. The other ads illustrate a range of advertising, appealing to both the male and female buying publics: an award-winning ad for PLANTERS peanuts; novelty baking ideas with FLEISCHMANN'S yeast; and the sophisticated appeal of B & B liqueur.

(continued on page 18)

Television provided a major medium for the Company's support of its products in 1976. An example was the campaign featuring popular sports and broadcasting personality Frank Gifford, who will continue as Company spokesman for DRY SACK sherry in 1977. A frame from a Gifford/DRY SACK sherry commercial appears at the bottom of the opposite page, as well as on the TV screen in the living room below, where a group of young people is pictured enjoying some Standard Brands products. Also reproduced on the facing page, top to bottom, are scenes from outstanding prime-time and daytime commercials: "Mr. Cholesterol," whose effectiveness was proven when it earned the highest recall score for any margarine commercial shown last year; the new line of canister-packed savory snacks; the very popular PLANTERS peanuts; and, representing our international operations, a PLANTERS peanut oil commercial from Canada.





Research and Development

A Report by Robert J. Carbonell

Senior Vice President, Research, Development and Engineering

In today's highly competitive business climate, the creation of proprietary new products through innovative technology is as important to the growth and increased profitability of a food and beverage company as it is to any other business. For this reason, the Executive Office is placing increased emphasis on research and development by making a stronger commitment of the Company's resources to this area as a key strategy for long-term growth.

In June 1976, a decision was made to build a new Corporate Research Center in Wilton, Connecticut. Plans for the Center have been developed by a team of architects and engineers headed by Warren Platner, an internationally-known architect. Pending its completion, the Company is intensifying its corporate research and development efforts at its facility in Stamford, Connecticut.

When the Corporate Research Center is completed in 1978, Standard Brands will have the most modern facility in the food industry, with innovative architectural and mechanical concepts that will provide both a versatile and creative research environment.

The Corporate Research Center will have over 75,000 square feet of laboratory, pilot plant and related space. The Center also will house Corporate Engineering, Corporate Quality Assurance, a Technical Information Center and the Standard Brands' Test Kitchen.

At the new Corporate Research Center, Standard Brands will concentrate its research and development efforts in the following areas:

Fermentation, extending Standard Brands' leadership in yeast and fermentation technology.

Enzymes, building on the pioneering work of the Clinton Research Laboratory, where enzyme technology is the foundation of its corn sweetener business. Enzymes hold the key to many technological developments that will lead to profitable new food and beverage products.

Nutrition research, reflecting Standard Brands' commitment to the development and improvement of the nutrition and health values of its products.

Edible oils, improving, through oil technology, our understanding of both the quality and economics of a wide base of our food products.

Flavor research, improving the taste of our consumer food products.

The new Corporate Research Center is a further commitment to research by the Company. Over fifty years ago the Company established successful technical programs pioneering research in yeast and nutrition. These programs today are represented by a number of established laboratory facilities. These include: research laboratories in Stamford, whose activities will be phased into the Wilton Center; a research laboratory at Clinton, Iowa, specializing in corn sweeteners; a margarine laboratory and pilot plant at Indianapolis, Indiana; a confectionery products laboratory and pilot plant at Franklin Park, Illinois; and a snacks laboratory and pilot plant at Chattanooga, Tennessee.

In summary, food and beverage technology is regarded as being on the verge of dramatic changes in the years ahead, leading to significant new products. It is our objective to make certain that Standard Brands takes full advantage of these opportunities.



Robert J. Carbonell





Emphasis on research and development is evident in the plan for a new Corporate Research Center at Wilton, Conn., (architect's model, left). Also depicted are scenes from existing R&D centers. Below, confectionery products evaluation laboratory in Franklin Park, Ill. On the facing page, top to bottom: the pilot plant for margarine research and product development in Indianapolis, Ind.; enzyme development laboratory, responsible for the development of high fructose corn syrup, Clinton, Iowa; and an applications laboratory for research in bakery ingredients at Stamford, Conn.



Directors

Walter G. Dunnington, Jr.^{1,2,3,4}
Partner
Dunnington, Bartholow & Miller
(Attorneys)
New York, New York

Sartain Lanier^{1,2,3}
Chairman
Oxford Industries, Inc.
(Manufacturer and Distributor of
Apparel and Office Equipment)
Atlanta, Georgia

Andrew G. C. Sage II^{1,2}
Managing Director
Lehman Brothers Incorporated
(Investment Bankers)
New York, New York

Reuben Gutoff¹
Executive Vice President
Standard Brands Incorporated
New York, New York

James E. Marler
Senior Vice President
Commercial Relations
Standard Brands Incorporated
New York, New York

Gerald A. Savage^{2,3}
Chairman of
the Executive Committee
Marshall Field & Company
(Retailing)
Chicago, Illinois

F. Ross Johnson¹
President and
Chief Executive Officer
Standard Brands Incorporated
New York, New York

W. Earle McLaughlin^{1,2,3,4}
Chairman and President
The Royal Bank of Canada
(Banking)
Montreal, Quebec

Henry Weigl
Chairman
Standard Brands Incorporated
New York, New York

George F. Karch^{1,2,3,4}
Retired Chairman
The Cleveland Trust Company
(Banking)
Cleveland, Ohio

Ellmore C. Patterson^{1,2,3,4}
Chairman of the Board
Morgan Guaranty Trust Company
(Banking)
New York, New York

1 Executive Committee
2 Audit Committee
3 Compensation and Stock Option
Committee
4 Nominating Committee

Directors Emeriti

William H. Armstrong
Joel S. Mitchell

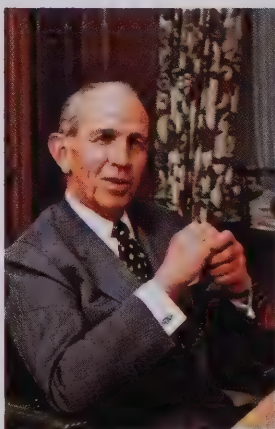
John B. Clark

Lucius D. Clay

John B. Hollister



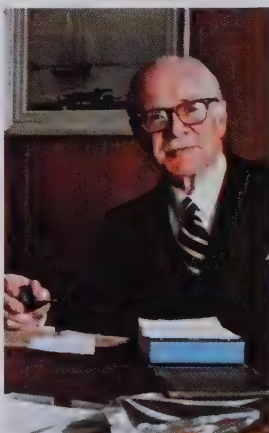
Andrew G. C. Sage II



Ellmore C. Patterson



Walter G. Dunnington, Jr.



W. Earle McLaughlin



Reuben Gutoff



James E. Marler



Gerald A. Savage



F. Ross Johnson



Sartain Lanier



George F. Karch



Henry Weigl

Officers

Henry Weigl
Chairman

Corporate Executive Office

F. Ross Johnson
*President and
Chief Executive Officer*

Reuben Gutoff
Executive Vice President

Corporate Components

Robert J. Carbonell
*Senior Vice President
Research, Development
and Engineering*

J. Bruce Duncan
*Senior Vice President and
General Counsel*

William E. Johnson
*Senior Vice President
Planning and Finance*

James E. Marler
*Senior Vice President
Commercial Relations*

Madelyn P. Jennings
*Vice President
Human Resources*

Michael M. Masterpool
*Vice President
Corporate Communications*

Manning E. Case
*Vice President and
Treasurer*

W. Allen Kelley
*Vice President
Consumer Marketing
and Consulting*

Ward M. Miller, Jr.
*Secretary and
Associate General Counsel*

Edward J. Robinson
Comptroller

Operating Components

Curt K. Brill
*Vice President and
Group Executive
Food Ingredients*

Martin F. C. Emmett
*Vice President and
Group Executive
International*

Ferdie A. Falk
*Vice President and
Group Executive
Wines & Spirits*

Peter N. Rogers
*Vice President and
Group Executive
U.S. Consumer Products*



J. Bruce Duncan



William E. Johnson



Ward M. Miller, Jr.



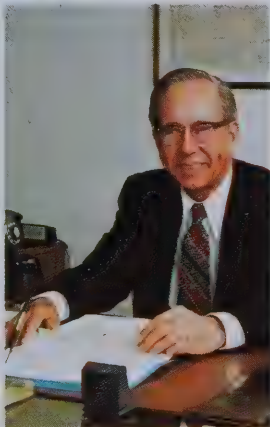
Edward J. Robinson



Madelyn P. Jennings



W. Allen Kelley



Manning E. Case



Michael M. Masterpool

MANAGEMENT'S DISCUSSION OF CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statements

Record sales in 1976 of \$1,809,964,000 were \$10,070,000 or 0.6% higher than 1975 sales of \$1,799,894,000 (excluding excise taxes of \$151,689,000 and \$145,085,000, respectively).

In 1976, Net Sales increases were recorded by most operations and for almost all major products. Although unit volume gains were registered by many product lines, including margarines, nuts, snacks, confectionery products, pet food, wines and spirits and WALKERS Crisps' products, these were largely offset by lower sales prices for the Company's proprietary sugar substitutes, ISOMEROSE brand high fructose corn syrup and LEV-U-DEX brand bakers corn syrup and by the divestiture of Chemical operations (included in 1975 sales).

In 1975, Net Sales rose \$151,956,000 or 9.2% over 1974, reflecting increases in most operations and for almost all major products. Unit volume gains were registered by many product lines, including margarines, nuts, snacks, confectionery products, consumer yeast, wines and spirits, high fructose corn syrup, bakers corn syrup and WALKERS Crisps' products.

Cost of Sales in 1976 increased 0.9% over 1975, whereas the comparable Cost of Sales percentage increase in 1975 over the prior year was 6.0%. The slight percentage increase for 1976 reflected costs associated with the increased sales volume partially offset by reductions in the cost of raw material commodities (with the exception of coffee) and the divestiture of Chemical operations made in late 1975.

In 1976, Selling, Administrative and Research expenses were \$392,952,000 versus \$389,767,000 (after reclassification of state and local taxes on income of \$5,889,000 to "Provision for Taxes on Income") in 1975, an increase of 0.8%. The increase in 1975 of \$63,418,000 over 1974 was due to increased expenditures for advertising and consumer promotion, transportation, quality assurance and research, and salaries and payroll benefits.

In 1976, interest expense—net was \$18,249,000 versus \$20,812,000 in 1975. The lower 1976 expense reflects the effect of repayment of long-term debt.

Other charges in 1976 were \$10,080,000 versus \$8,220,000 in 1975. The change reflects increased net translation losses, charges made to write down certain facilities and investments, and lower earnings from investments in unconsolidated affiliates. The decrease in 1975 from 1974 was largely due to decreased net translation losses, and charges made to write down certain facilities.

Income Before Taxes in 1976 was \$123,599,000 or 2.7% lower than 1975. This decrease was attributable to the factors previously noted. In 1975, Income Before Taxes was \$127,018,000 or 18.2% higher than 1974. This increase was attributable to favorable trends in domestic and international consumer branded products, and food ingredients operations.

The effective income tax rate in 1976 was 45.3%, which compared with a 1975 rate of 47.3% and a 1974 rate of 47.9%, including state and local taxes on income in each year. The lower 1976 and 1975 tax rates reflect higher investment tax credits due to increased capital spending for manufacturing facilities in the United States and lower effective tax rates attributable to international operations.

Net Income in 1976 was \$67,587,000 versus \$66,895,000 in 1975. This result was achieved in spite of the general price deterioration for high fructose corn syrup experienced during the year.

Stock and Dividends

The Company's common stock is listed on the New York, Montreal and Toronto stock exchanges. Preferred stock is listed on the New York Stock Exchange. High and low sales prices during 1976 and 1975, respectively, for indicated quarterly periods were as follows:

| | Common | | Preferred | |
|-----------------|-----------|---------|-----------|---------|
| | High | Low | High | Low |
| 1976 | | | | |
| Quarter Ending: | | | | |
| March 31 | \$40.625 | \$33.25 | \$50.75 | \$46.00 |
| June 30 | 39.375 | 32.375 | 50.00 | 47.50 |
| September 30 | 38.625 | 28.875 | 52.00 | 49.00 |
| December 31 | 33.125 | 27.00 | 50.50 | 46.25 |
| 1975 | | | | |
| Quarter Ending: | | | | |
| March 31 | \$33.6875 | \$26.25 | \$50.25 | \$45.00 |
| June 30 | 36.125 | 29.3125 | 49.75 | 46.50 |
| September 30 | 35.9375 | 31.125 | 48.75 | 47.00 |
| December 31 | 39.75 | 32.50 | 49.50 | 46.75 |

Total Dividends of \$1.21 per share were paid on the common stock in 1976. This compared with \$1.07 per share in 1975. This was the nineteenth consecutive year of increased dividend payments.

Dividend payments on the common stock in 1976 and 1975 were as follows:

| | 1976 | 1975 |
|----------------|------------------|------------------|
| | Amount Per Share | Amount Per Share |
| March 15th | \$.285 | \$.25 |
| June 15, 16th | .285 | .25 |
| September 15th | .32 | .285 |
| December 15th | .32 | .285 |

A quarterly dividend of \$.32 per share was declared on January 27, 1977, on common stock, payable March 15, 1977.

Total dividends paid on common stock in 1976 were \$33,633,000 compared with \$29,614,000 in 1975.

Preferred stock dividends of \$3.50 per share were paid during 1976 and the quarterly dividend of \$.875 per share was declared on January 27, 1977, payable March 15, 1977. Preferred dividends of \$439,000 paid in 1976 were the same as 1975.

Stockholders' Equity

At December 31, 1976, Stockholders' Equity was \$464,854,000, an increase of \$36,787,000 over the 1975 amount. At year end, the equity per common share was \$16.25 compared with \$14.99 at end of 1975. The Stockholders' Equity in the Company increased by 8.6% during 1976.

Financial Position

In 1976, funds generated from operations—earnings, depreciation and non-fund charges—were \$102,050,000 compared to \$102,333,000 in 1975.

Capital Expenditures were \$89,494,000 (including amounts relating to Clinton Pollution Control Facilities on long-term lease), compared with \$81,656,000 in 1975.

Working Capital was \$261,504,000 at the end of 1976, compared with \$294,756,000 at the close of 1975.

Although working capital was utilized for the retirement of significant amounts of long-term indebtedness, the continued expansion and modernization of manufacturing facilities and cash dividend payments, these outflows were partially offset by the collection of notes receivable and disposal of surplus property, plant and equipment.

Review of Worldwide Lines of Business

During the past five years, worldwide net sales and operating income (income before interest, other charges and taxes on income) increased at compound annual rates of 11.0% and 10.9%, respectively; net income increased at a compound annual rate of 11.2%.

As shown in the charts below, Standard Brands is engaged in two main lines of business: Consumer—packaged foods, beverages and related products which are manufactured and/or sold for the most part under advertised brand names through groceries, supermarkets, confectionery stores, alcoholic beverage stores, or vending machines; and Food ingredients—corn-based products, vinegar, baking ingredients sold to large bakeries and manufacturers of snack foods, and bulk quantities of the Company's products supplied through food service distributors.

Consumer products accounted for 75% of 1976 sales and 76% of operating income. From 1971 to 1976 sales and operating income for this line of business increased at compound annual rates of 12.3% and 11.0%, respectively. Worldwide sales of margarine, nuts, confectionery, wines and

spirits, pet foods, snacks and a variety of other products have accounted for this sales and operating income growth. The slower growth rate of operating income as compared to sales reflects increased transportation, selling and administrative expenses and the costs of introducing new products.

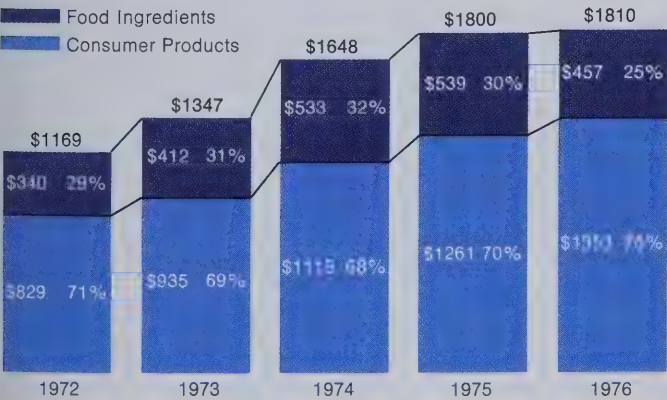
Products sold to food ingredients customers accounted for 25% of total 1976 sales and 24% of operating income. During the past five years sales and operating income have grown at compound annual rates of 7.5% and 10.4%, respectively. This line includes products of the Clinton Corn Processing Company, such as high fructose corn syrup, dextrose and corn starch; vinegar; and yeast, bakery ingredients and a variety of food products sold through food service distributors.

Consolidated operations outside the United States include Canada and other international operations, principally in Latin America and Europe. Canadian operations accounted for 16% of total 1976 sales and 14% of operating income. Other international operations accounted for 17% of total 1976 sales and 19% of operating income.

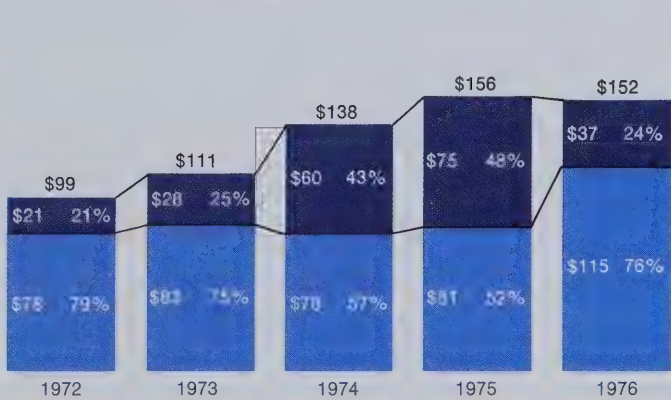
From 1971 to 1976 Canadian sales and operating income increased at compound annual rates of 15.9% and 9.1%, respectively. During the same period, sales and operating income from other international operations increased at compound annual rates of 19.1% and 24.5%, respectively.

Financial statements referred to in this discussion appear on pages 26 through 31.

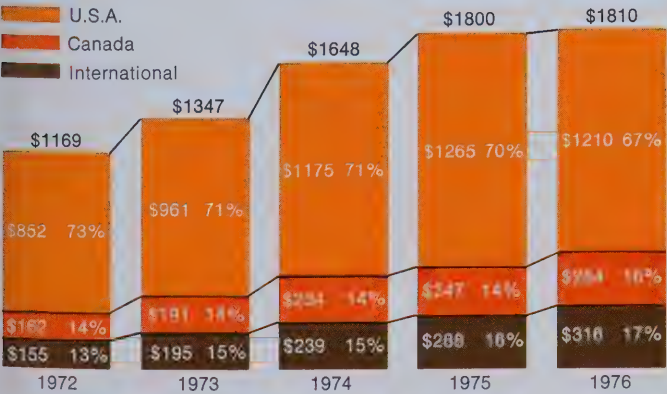
Net Sales—Worldwide (in Millions)



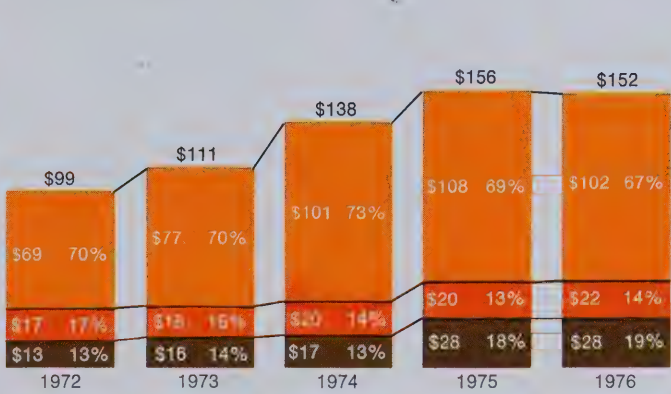
Operating Income—Worldwide (in Millions)



Net Sales—Worldwide (in Millions)



Operating Income—Worldwide (in Millions)



CONSOLIDATED INCOME STATEMENT

Standard Brands Incorporated and Subsidiary Companies

(\$000 omitted except Earnings per common share)

| | Year Ended December 31, | |
|---|-------------------------|-------------|
| | 1976 | 1975 |
| Net Sales including Excise Taxes | \$1,961,653 | \$1,944,979 |
| Less: Excise Taxes | 151,689 | 145,085 |
| Net Sales | 1,809,964 | 1,799,894 |
| Cost of Sales excluding Excise Taxes | 1,265,084 | 1,254,077 |
| Gross Profit | 544,880 | 545,817 |
| Selling, Administrative and Research Expenses | 392,952 | 389,767 |
| Operating Income | 151,928 | 156,050 |
| Interest—Net | 18,249 | 20,812 |
| Other Charges | 10,080 | 8,220 |
| Income before Taxes on Income | 123,599 | 127,018 |
| Provision for Taxes on Income | 56,012 | 60,123 |
| Net Income | \$ 67,587 | \$ 66,895 |
| Earnings per common share— | | |
| based on average number of shares outstanding | \$2.42 | \$2.40 |

See Notes to Consolidated Financial Statements, Pages 29, 30 and 31.

CONSOLIDATED RETAINED EARNINGS STATEMENT

Standard Brands Incorporated and Subsidiary Companies

(\$000 omitted except Dividends per share)

| | Year Ended December 31, | |
|--|-------------------------|------------|
| | 1976 | 1975 |
| Retained Earnings—Beginning of Year | \$ 363,765 | \$ 326,923 |
| Net Income | 67,587 | 66,895 |
| | 431,352 | 393,818 |
| Dividends Paid— | | |
| Cumulative \$3.50 Preferred Stock | 439 | 439 |
| Common Stock: 1976—\$1.21; 1975—\$1.07 | 33,633 | 29,614 |
| | 34,072 | 30,053 |
| Retained Earnings—End of Year | \$ 397,280 | \$ 363,765 |

See Notes to Consolidated Financial Statements, Pages 29, 30 and 31.

CONSOLIDATED BALANCE SHEET

Standard Brands Incorporated and Subsidiary Companies

(\$000 omitted)

| ASSETS | December 31, | |
|--|------------------|------------------|
| | 1976 | 1975 |
| Current Assets | | |
| Cash | \$ 13,244 | \$ 23,104 |
| Marketable Securities, at cost which approximates market | 9,081 | 42,346 |
| Receivables, less reserves of \$4,337 in 1976 and \$4,043 in 1975 | 170,512 | 167,440 |
| Inventories, at lower of average cost or market | 338,132 | 285,585 |
| Prepaid Expenses | 6,587 | 7,775 |
| Total Current Assets | 537,556 | 526,250 |
| Investments and Notes Receivable | 24,011 | 36,589 |
| Property, Plant & Equipment, at cost | | |
| Land | 10,308 | 9,988 |
| Buildings | 137,027 | 129,520 |
| Machinery and Equipment | 437,264 | 392,013 |
| | 584,599 | 531,521 |
| Less—Accumulated Depreciation | 219,705 | 212,135 |
| | 364,894 | 319,386 |
| Deferred Charges | 2,268 | 2,129 |
| Intangibles, including Brand Names, Trademarks and Goodwill | 63,139 | 62,911 |
| | \$991,868 | \$947,265 |
| LIABILITIES & STOCKHOLDERS' EQUITY | | |
| Current Liabilities | | |
| Notes and Loans Payable | \$ 66,120 | \$ 20,783 |
| Current Maturities—Long-Term Debt | 6,158 | 13,061 |
| Accounts Payable and Accrued Expenses | 186,602 | 184,978 |
| United States and Foreign Taxes on Income | 17,172 | 12,672 |
| Total Current Liabilities | 276,052 | 231,494 |
| Long-Term Debt | 173,144 | 215,402 |
| Deferred Income Tax | 37,050 | 33,787 |
| Other Liabilities | 27,637 | 25,922 |
| Minority Interest | 13,131 | 12,593 |
| Stockholders' Equity | | |
| Preferred Stock | 20,000 | 20,000 |
| Common Stock | 27,965 | 27,874 |
| Capital Surplus | 27,023 | 24,249 |
| Retained Earnings | 397,280 | 363,765 |
| | 472,268 | 435,888 |
| Less—Capital Stock Held in Treasury, at cost | 7,414 | 7,821 |
| | 464,854 | 428,067 |
| | \$991,868 | \$947,265 |

See Notes to Consolidated Financial Statements, Pages 29, 30 and 31.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Standard Brands Incorporated and Subsidiary Companies

(\$000 omitted)

| | Year Ended December 31, | |
|---|-------------------------|-----------------|
| | 1976 | 1975 |
| Sources of Working Capital: | | |
| From Operations | | |
| Net Income | \$ 67,587 | \$ 66,895 |
| Depreciation | 23,865 | 23,224 |
| Other Non-Fund Charges—Net | 10,598 | 12,214 |
| Total from Operations | 102,050 | 102,333 |
| Decrease in Notes Receivable | 6,322 | — |
| Increase in Long-Term Debt | 2,382 | 2,221 |
| Issuance of Common Stock under Stock Option Plans | 2,401 | 2,335 |
| Disposition and Retirement of Property, Plant and Equipment | 20,022 | 4,883 |
| Issuance of Common Stock for Acquisitions of Assets | 843 | — |
| Standard Brands Chemical Industries, Inc. Sale, | | |
| Less Working Capital Disposed | — | 21,532 |
| Other Items—Net | 1,297 | (98) |
| | <u>135,317</u> | <u>133,206</u> |
| Uses of Working Capital: | | |
| Additions to Property, Plant and Equipment | 89,394 | 80,394 |
| Dividends | 34,072 | 30,053 |
| Decrease in Long-Term Debt | 45,103 | 16,241 |
| | <u>168,569</u> | <u>126,688</u> |
| Increase (Decrease) in Working Capital | <u>\$ (33,252)</u> | <u>\$ 6,518</u> |
| Changes in Working Capital Represented by: | | |
| Increase (Decrease) in Current Assets | | |
| Cash | \$ (9,860) | \$ 6,441 |
| Marketable Securities | (33,265) | 24,408 |
| Debentures Subscriptions Receivable | — | (6,650) |
| Receivables | 3,072 | (15,424) |
| Inventories | 52,547 | (20,475) |
| Prepaid Expenses | (1,188) | 2,392 |
| | <u>11,306</u> | <u>(9,308)</u> |
| Decrease (Increase) in Current Liabilities | | |
| Notes and Loans Payable | (45,337) | 49,311 |
| Current Maturities—Long-Term Debt | 6,903 | (9,291) |
| Accounts Payable and Accrued Expenses | (1,624) | (25,370) |
| United States and Foreign Taxes on Income | (4,500) | 1,176 |
| | <u>(44,558)</u> | <u>15,826</u> |
| | <u>\$ (33,252)</u> | <u>\$ 6,518</u> |

See Notes to Consolidated Financial Statements, Pages 29, 30 and 31.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Summary of Significant Accounting Policies

Principles of Consolidation The consolidated financial statements include controlled majority-owned subsidiaries. Investments which are not consolidated, in which the Company owns 20% or more of the voting stock, are accounted for by the equity method. Earnings of these investments were \$1,677,000 in 1976 and \$3,304,000 in 1975. Investments representing less than 20% of the voting stock are carried at cost.

During 1975 the Company sold its wholly-owned subsidiary, Standard Brands Chemical Industries, Inc., at an aggregate selling price which approximated book value. This subsidiary's sales and net income were insignificant in relation to the prior year's results.

Inventories, which are stated at the lower of average cost or market, include material, labor, factory overhead, and \$4,400,000 and \$3,100,000 of excise taxes in 1976 and 1975, respectively.

Translation of International Operations The Company follows the provisions of the Financial Accounting Standards Board Statement No. 8 for translating international operations in the consolidated financial statements. Net translation losses amounted to \$3,700,000 and \$1,900,000 in 1976 and 1975, respectively.

Income Taxes The Company follows the policy of accruing United States and foreign income taxes on earnings of subsidiary companies which are intended to be remitted to the parent Company in the near future. Unremitted earnings of subsidiaries which have been or are intended to be reinvested indefinitely aggregated \$95,000,000 at December 31, 1976. Significant foreign tax credits are available to apply against U.S. income tax expense that may be payable upon distribution of international subsidiaries' retained earnings.

The investment tax credit is accounted for by the flow-through method and reduced income tax expense by \$5,032,000 in 1976 and \$3,607,000 in 1975.

Depreciation is calculated principally on a straight line basis over the estimated useful lives of the assets for financial accounting purposes.

Intangibles, including Brand Names, Trademarks and Goodwill The Company amortizes intangible assets acquired after October 31, 1970, over a period not to exceed forty years. Intangibles acquired prior to October 31, 1970, are not being amortized since the Company believes there has been no diminution in value of these assets.

Research and Development Costs for research, which are expensed as incurred, approximated \$6,000,000 in 1976 and 1975.

Retirement Plans

The Company and its domestic and international subsidiaries contribute to several pension plans covering substantially all employees who have met certain age and experience requirements. The Companies' contributions are charged to expense and amounted to \$8,012,000 for 1976 and \$7,474,000 for 1975, which include amortization of past service costs principally over periods not to exceed twenty years. Pension costs have been funded by deposits with trustees or reserves have been provided.

Unfunded prior service liabilities of the various plans declined from \$44,485,000 at the end of 1975 to \$35,660,000 at December 31, 1976, primarily due to favorable market experience. In the aggregate, the market value of pension fund assets at December 31, 1976, plus pension accruals, exceeded the vested benefits payable under the respective plans. The market values of fund assets at December 31, 1976, and 1975, were \$74,608,000 and \$61,316,000, respectively.

Capital Stock

The \$3.50 cumulative preferred stock is at its stated and redeemable value of \$100 per share. There are 5,000,000 shares authorized and 200,000 shares issued in 1976 and 1975. Treasury stock includes 74,698 preferred shares in 1976 and 1975 at a cost of \$5,182,000. Changes in other stockholders' equity accounts are as follows:

(000 omitted except share data)

| | Common Stock | | Treasury Stock | | Capital Surplus |
|--|--|----------|----------------|-----------|-----------------|
| | Shares | Amount | Shares | Amount | |
| | No par value; stated value \$1 per share; authorized—40,000,000 shares | | | | |
| Balance, January 1, 1975 | 27,765,650 | \$27,766 | (227,290) | \$(7,844) | \$22,022 |
| Stock options exercised | 108,180 | 108 | — | — | 2,411 |
| Issuance of common stock awarded under management incentive plan | — | — | 1,924 | 23 | 26 |
| Expenses incurred due to 2 for 1 stock split | — | — | — | — | (210) |
| Balance, December 31, 1975 | 27,873,830 | 27,874 | (225,366) | (7,821) | 24,249 |
| Stock options exercised | 91,447 | 91 | — | — | 2,309 |
| Issuance of common stock awarded under management incentive plan | — | — | 1,165 | 14 | 15 |
| Issuance of common stock for acquisition of assets | — | — | 23,546 | 393 | 450 |
| Balance, December 31, 1976 | 27,965,277 | \$27,965 | (200,655) | \$(7,414) | \$27,023 |

Stock Options

Under the Officers and Key Employees Stock Option Plan, 226,344 shares of common stock were available for grant. Under this plan, qualified options are exercisable over a five-year period and non-qualified options are exercisable over a ten-year period. The following changes in options occurred during the year:

| | |
|---------------------|----------------|
| Shares under option | |
| December 31, 1975 | 516,930 |
| Granted | 67,000 |
| Exercised | (91,447) |
| Cancelled | (39,584) |
| Shares under option | |
| December 31, 1976 | <u>452,899</u> |

The options outstanding at December 31, 1976, are exercisable at various dates between 1977 and 1986, at prices ranging from \$25.63 to \$38.31 per share. Under the terms of the plan, option prices are not less than 100% of the quoted market price at the date of grant.

Short-Term Indebtedness

Notes and loans payable at December 31 consisted of the following:

| (\$000 omitted) | 1976 | 1975 |
|----------------------------------|------------------------|-----------------|
| United States | \$20,900 | \$ — |
| Canadian subsidiary | 26,475 | 4,165 |
| Other International subsidiaries | 18,745 | 16,618 |
| | <u>\$66,120</u> | <u>\$20,783</u> |

U.S. short-term debt at December 31, 1976, consisted entirely of commercial paper bearing average interest rates of 4.76%. Canadian short-term debt at December 31, 1976, consisted of \$5,425,000 in bank borrowings at 9.25% and \$21,050,000 in commercial paper at an average rate of 9.16%. At December 31, 1975, Canadian short-term debt consisted of bank borrowings at an interest rate of 9.75%. Other international short-term debt, denominated in various currencies for operations abroad, consisted principally of bank borrowings at December 31, 1976, and December 31, 1975, at average interest rates of 14.0% and 12.39%, respectively.

During 1976, notes and loans payable consisted primarily of Canadian commercial paper and borrowings by international subsidiaries. Average notes and loans payable for the years ended December 31, 1976, and December 31, 1975, were \$40,014,000 and \$42,356,000 at weighted average interest rates of 11.70% and 11.52%, respectively. The maximum outstanding balances for any month end for 1976 and 1975 were \$67,420,000 and \$66,540,000, respectively.

To meet seasonal worldwide working capital requirements, the Company had unsecured lines of credit aggregating \$107,000,000 and \$110,000,000 in the United States and Canada at December 31, 1976, and December 31, 1975, respectively. Other bank facilities are available for other international operations. The lines of credit are extended at banks' lending rates to prime borrowers. No material compensating balances are required within the terms of these credit arrangements.

At December 31, 1976, and December 31, 1975, unused portions of the bank credit lines were \$101,575,000 and \$105,835,000, respectively, to support commercial paper and for other corporate purposes.

Long-Term Debt

At December 31, long-term debt consisted of the following:

| (\$000 omitted) | 1976 | 1975 |
|---|-------------------------|------------------|
| 3.7% Promissory Notes due 1976 | \$ — | \$ 6,343 |
| 6½ % Euro Guilder Notes due 1976 through 1979 | 14,998 | 18,640 |
| 8% Promissory Notes due 1978-Prepaid in 1976 | — | 25,000 |
| 6¾ % Sinking Fund Debentures due 1993 with annual sinking fund payments of \$3,150 beginning 1977 | 53,976* | 57,430 |
| 7¾ % Sinking Fund Debentures due 2001 with annual sinking fund payments of \$1,875 beginning 1977 | 48,065* | 49,918 |
| 9½ % Sinking Fund Debentures due 2004 with annual sinking fund payments of \$2,100 beginning 1982 | 50,000 | 50,000 |
| Other Borrowings | 12,263 | 21,132 |
| | 179,302 | 228,463 |
| Less Current Maturities | 6,158 | 13,061 |
| | <u>\$173,144</u> | <u>\$215,402</u> |

*1977 installments prepaid in 1976

Income Taxes

Income tax expense consists of:

| (\$000 omitted) | 1976 | 1975 |
|--------------------------|------------------------|-----------------|
| Taxes currently payable— | | |
| Federal | \$31,052 | \$37,796 |
| State and local | 4,692 | 5,889 |
| Foreign | 18,247 | 16,035 |
| Deferred taxes | 2,021 | 403 |
| | <u>\$56,012</u> | <u>\$60,123</u> |

State and local income taxes for 1975 have been reclassified to conform with the 1976 presentation.

Deferred income taxes in 1976 and 1975 resulted from various expenses which are not deductible for tax purposes until paid, (\$5,195,000) and (\$7,851,000), respectively; and from the use of accelerated depreciation methods for tax purposes, \$7,216,000 and \$8,254,000, respectively. In 1976, expenses which were not deductible for tax purposes until paid consisted of the Company's write-downs of certain facilities and accruals for pension and deferred compensation payments.

The following reconciles the United States statutory rate with effective tax rates for 1976 and 1975:

| | 1976 | 1975 |
|--|---------------------|--------------|
| Statutory Federal income tax rate | 48.0% | 48.0% |
| Investment tax credit | (4.1) | (2.9) |
| State and local income taxes, net of Federal income tax benefit | 2.0 | 2.4 |
| Other, including effect of foreign tax rate on earnings of consolidated subsidiaries and equity earnings from foreign non-consolidated investments | (.6) | (.2) |
| Effective tax rate | <u>45.3%</u> | <u>47.3%</u> |

AUDITORS' REPORT

Rent Expense and Lease Commitments

Rent expense totalled \$4,470,000 and \$4,135,000 for the years ended December 31, 1976, and 1975, respectively. The Company's aggregate annual rental commitments for non-cancellable leases are as follows:

| Year | (\$000 omitted) | Amount |
|-------------------|-----------------|---------|
| 1977 | | \$4,320 |
| 1978 | | \$3,753 |
| 1979 | | \$3,364 |
| 1980 | | \$3,088 |
| 1981 | | \$2,151 |
| 1982—1986 | | \$6,593 |
| 1987—1991 | | \$4,676 |
| 1992—1996 | | \$2,973 |
| 1997 & Subsequent | | \$4,600 |

The Company does not have a significant amount of financing leases.

Replacement Cost (Unaudited)

The Company's operations have been subject to varying degrees of inflation in the U.S. and in other countries in which it conducts its business. If the Company were to replace its productive capacity at current prices, it would require expenditures of significantly larger amounts than the historical amounts shown in property accounts. Similarly, depreciation charges on such replacement values would be greater than those reported. Offsetting the impact of inflation is the Company's continuing ability to recover these higher costs through the prices it charges for products, its rapid inventory turnover and the efficiencies it would achieve through improved productivity from use of more modern facilities.

Further details of the impact of inflation on replacement cost of productive facilities and inventories are included in the Company's Annual Report to the S.E.C. on Form 10-K.

Quarterly Financial Data (Unaudited)

Summarized quarterly financial data (in thousands of dollars except for per share amounts) for 1976 are as follows:

| | Three Months Ended | | | |
|---------------------------|--------------------|-----------|-----------|-----------|
| | March 31 | June 30 | Sept. 30 | Dec. 31 |
| Net Sales (a) | \$415,180 | \$430,762 | \$455,639 | \$508,383 |
| Gross Profit | 131,035 | 131,207 | 134,295 | 148,343 |
| Income Before Taxes (b) | 30,999 | 32,097 | 30,934 | 29,569 |
| Net Income | 16,898 | 17,450 | 16,829 | 16,410 |
| Earnings Per Common Share | .61 | .62 | .60 | .59 |

(a) Restated to exclude excise taxes.

(b) Restated to exclude State and local taxes on income.

Contingent Liabilities

The Company and its subsidiaries are contingently liable under litigation wherein substantial amounts are claimed but on which no significant losses are expected. Certain inventories in bond are subject to Federal excise taxes on withdrawal.

To the Stockholders and Board of Directors of Standard Brands Incorporated:

We have examined the consolidated balance sheet of Standard Brands Incorporated (a Delaware corporation) and subsidiaries as of December 31, 1976, and 1975, and the related consolidated statements of income, retained earnings and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated financial statements present fairly the financial position of Standard Brands Incorporated and subsidiaries as of December 31, 1976, and 1975, and the results of their operations and the changes in their financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied during the periods.

Arthur Andersen & Co.

New York, N.Y.
February 24, 1977

TEN-YEAR FINANCIAL SUMMARY

Standard Brands Incorporated and Subsidiary Companies
(Dollar and share amounts in thousands; per share amounts in dollars)

| | 1976 | 1975 |
|--|-------------|-------------|
| Performance Summary | | |
| Net Sales excluding Excise Taxes | \$1,809,964 | \$1,799,894 |
| Interest Charges | \$ 22,485 | \$ 25,226 |
| Income Before Taxes | \$ 123,599 | \$ 127,018 |
| U.S. and Foreign Taxes on Income | 56,012 | 60,123 |
| Net Income | \$ 67,587 | \$ 66,895 |
| Depreciation and Other Non-fund Charges | \$ 34,463 | \$ 35,438 |
| Capital Expenditures | \$ 89,494† | \$ 81,656‡ |
| Working Capital | \$ 261,504 | \$ 294,756 |
| Short-Term Borrowings | \$ 66,120 | \$ 20,783 |
| Long-Term Borrowings (a) | 179,302 | 228,463 |
| Minority Interest | 13,131 | 12,593 |
| Stockholders' Equity | 464,854 | 428,067 |
| Total Capital Invested | \$ 723,407 | \$ 689,906 |
| Preferred Dividends | \$ 439 | \$ 439 |
| Common Dividends | 33,633 | 29,614 |
| Total Dividends | \$ 34,072 | \$ 30,053 |
| Cash Flow (b) | \$ (88,462) | \$ 80,160 |
| Average Number of Shares of Common Stock (c) | 27,793 | 27,671 |
| Number of Employees | 21,200 | 20,600 |
| Measurements | | |
| Earnings per Share (c) | \$ 2.42 | \$ 2.40 |
| Dividends per Common Share (c) | \$ 1.21 | \$ 1.07 |
| Book Value per Common Share (c) | \$ 16.25 | \$ 14.99 |
| Price/Earnings Ratio Range | 11-17 | 11-17 |
| Market Price Range per Common Share (c) (d) | 27.00-40.63 | 26.25-39.75 |
| Net Income as a Percent of Sales | 4% | 4% |
| Borrowings as a Percent of Total Capital Invested | 34% | 36% |
| Long-Term Borrowings as a Percent of Long-Term Capital | 27% | 33% |
| Net Income as a Percent of Stockholders' Equity at beginning of year | 16% | 18% |
| Operating Income by Major Categories | | |
| Geographically | | |
| United States | \$ 102,029 | \$ 108,404 |
| Canada | 21,798 | 20,069 |
| Other International | 28,101 | 27,577 |
| By Major Product Categories (Worldwide) | | |
| Consumer Products | \$ 114,903 | \$ 81,043 |
| Food Ingredients | 37,025 | 75,007 |

(a) Includes current maturities.

(b) Represents changes in Cash, Marketable Securities and Short-Term Borrowings.

(c) Amounts have been restated for stock split September 19, 1975.

(d) Represents high and low market price on New York Stock Exchange for each year.

† Includes 100; 1,262; 2,548; and 5,706 in 1976, 1975, 1974 and 1973, respectively, of lease financed capital expenditures.

| 1974 | 1973 | 1972 | 1971 | 1970 | 1969 | 1968 | 1967 |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| \$1,647,938 | \$1,346,905 | \$1,168,972 | \$1,075,433 | \$1,023,193 | \$954,328 | \$869,741 | \$795,089 |
| \$ 25,066 | \$ 16,902 | \$ 15,780 | \$ 14,884 | \$ 14,629 | \$ 12,447 | \$ 8,425 | \$ 3,283 |
| \$ 107,432 | \$ 93,006 | \$ 84,478 | \$ 78,922 | \$ 73,496 | \$ 70,359 | \$ 65,861 | \$ 58,775 |
| 51,500 | 44,199 | 40,467 | 39,113 | 35,947 | 34,857 | 32,659 | 26,841 |
| \$ 55,932 | \$ 48,807 | \$ 44,011 | \$ 39,809 | \$ 37,549 | \$ 35,502 | \$ 33,202 | \$ 31,934 |
| \$ 32,637 | \$ 27,473 | \$ 23,038 | \$ 24,203 | \$ 20,327 | \$ 20,229 | \$ 15,723 | \$ 14,739 |
| \$ 66,741‡ | \$ 35,377‡ | \$ 30,212 | \$ 33,909 | \$ 29,275 | \$ 25,398 | \$ 25,206 | \$ 24,462 |
| \$ 288,238 | \$ 217,028 | \$ 194,689 | \$ 158,174 | \$ 120,244 | \$128,505 | \$125,479 | \$111,401 |
| \$ 70,094 | \$ 56,777 | \$ 26,906 | \$ 61,920 | \$ 86,594 | \$ 47,427 | \$ 48,174 | \$ 37,003 |
| 247,075 | 177,394 | 184,419 | 165,847 | 116,409 | 119,720 | 126,691 | 37,272 |
| 11,918 | 10,760 | 10,560 | 5,203 | 5,171 | 5,433 | 5,635 | 5,344 |
| 388,866 | 351,500 | 326,020 | 303,458 | 282,748 | 263,757 | 248,552 | 234,102 |
| \$ 717,953 | \$ 596,431 | \$ 547,905 | \$ 536,428 | \$ 490,922 | \$436,337 | \$429,052 | \$313,721 |
| \$ 439 | \$ 439 | \$ 439 | \$ 439 | \$ 439 | \$ 453 | \$ 493 | \$ 544 |
| 25,662 | 23,931 | 22,330 | 21,207 | 20,820 | 19,782 | 18,745 | 18,045 |
| \$ 26,101 | \$ 24,370 | \$ 22,769 | \$ 21,646 | \$ 21,259 | \$ 20,235 | \$ 19,238 | \$ 18,589 |
| \$ (1,107) | \$ (26,943) | \$ 7,352 | \$ 59,526 | \$ (31,710) | \$ (1,731) | \$ (22,078) | \$ (21,344) |
| 27,428 | 27,270 | 27,219 | 27,029 | 26,947 | 26,883 | 26,819 | 26,757 |
| 21,900 | 21,800 | 22,100 | 22,300 | 22,000 | 22,800 | 23,200 | 21,000 |
| \$ 2.02 | \$ 1.78 | \$ 1.60 | \$ 1.46 | \$ 1.38 | \$ 1.31 | \$ 1.22 | \$ 1.18 |
| \$.93625 | \$.8775 | \$.8320 | \$.8000 | \$.7875 | \$.7500 | \$.7125 | \$.6875 |
| \$ 13.63 | \$ 12.42 | \$ 11.51 | \$ 10.70 | \$ 10.01 | \$ 9.34 | \$ 8.74 | \$ 8.20 |
| 10-14 | 13-16 | 14-18 | 14-17 | 14-20 | 16-20 | 14-22 | 14-17 |
| 20.00-28.25 | 23.06-27.88 | 22.06-28.44 | 19.88-24.94 | 19.25-27.25 | 21.13-25.75 | 16.50-27.44 | 16.31-20.63 |
| 3% | 4% | 4% | 4% | 4% | 4% | 4% | 4% |
| 44% | 39% | 39% | 42% | 41% | 38% | 41% | 24% |
| 38% | 32% | 35% | 34% | 28% | 30% | 32% | 13% |
| 16% | 15% | 15% | 15% | 15% | 15% | 15% | 15% |
| \$ 101,362 | \$ 77,414 | \$ 68,727 | \$ 67,261 | \$ 63,503 | \$ 59,861 | \$ 53,078 | \$ 46,373 |
| 19,488 | 18,076 | 16,686 | 14,106 | 12,183 | 9,578 | 9,523 | 6,694 |
| 17,331 | 15,485 | 13,167 | 9,409 | 9,155 | 8,847 | 9,348 | 8,769 |
| \$ 78,296 | \$ 82,897 | \$ 78,052 | \$ 68,185 | \$ 63,173 | \$ 55,184 | \$ 50,143 | \$ 41,750 |
| 59,885 | 28,078 | 20,528 | 22,591 | 21,668 | 23,102 | 21,806 | 20,086 |

Directory of Worldwide Plants

Plants in the United States

U.S. Consumer Products

Coffee, Desserts, Tea & Pet Foods

Chicago, Illinois
Los Angeles, California
New Orleans, Louisiana
San Francisco, California
Sherburne, New York

Confectionery

Culver City, California
Fort Wayne, Indiana
Franklin Park, Illinois
Melrose Park, Illinois

Frozen Products

St. Louis, Missouri

Nut Products & Snacks

Aulander, North Carolina
Chattanooga, Tennessee
De Leon, Texas
Durant, Oklahoma
Fort Smith, Arkansas
San Antonio, Texas
Suffolk, Virginia

Margarine

Atlanta, Georgia
Denison, Texas
Indianapolis, Indiana
Oakland, California
Pennsauken, New Jersey

Wines and Spirits

Dayton, New Jersey
Owensboro, Kentucky
Plainfield, Illinois

Food Ingredients

Corn Processing

Clinton, Iowa

Yeast & Other Bakery Ingredients, Vinegar

Baltimore, Maryland
Chicago, Illinois
Dallas, Texas
Montgomery, Alabama
Nixa, Missouri
Oakland, California
Peekskill, New York
Sumner, Washington

Plants in International Operations

Argentina:

Buenos Aires

Brazil:

Conchal
Escada
Itaperuna
Itapetinga
Jundiai
Petropolis
Registro*
Valadares

Canada:

Bridgetown, Nova Scotia
Calgary, Alberta (2)
Dartmouth, Nova Scotia
Gentilly, Quebec
Kelowna, British Columbia
La Salle, Quebec
Liverpool, Nova Scotia
Mississauga, Ontario
Scarborough, Ontario
Sherbrooke, Quebec
Toronto, Ontario (4)
Vancouver, British Columbia (2)
Weyburn, Saskatchewan
Winnipeg, Manitoba (2)

Colombia:

Palmira

Costa Rica:

San Jose

Ecuador:

Eloy Alfaro

United Kingdom:

Liverpool
Leicester

France:

Villeneuve-la-Garenne (Seine)*
Toulouse*

Germany:

Schwerte*

Guatemala:

Guatemala City

Italy:

Genoa*
Liscate*
Milan*

Jamaica:

Old Spanish Town*

Mexico:

Mexico City†

Panama:

Panama City

Philippines:

Manila

Portugal:

Lisbon*

Singapore:

Jarong Township

South Africa:

Johannesburg

Spain:

Montornes*
Tordesillas*

Trinidad:

Tunapuna

Tunisia:

Tunis

Uruguay:

Montevideo

Venezuela:

La Victoria

*Joint Venture Plant
†One Wholly-Owned Plant and a Joint Venture Plant



In 1976 Standard Brands Incorporated had 21,200 employees and 89 plants worldwide, and operated in 19 states in the U.S.A. and in 27 countries outside the U.S.A.